

FOREIGN AID

• • • in Fiscal Year 1952

SHORTLY before the close of fiscal year 1952 Congress authorized the extension of the mutual-security program under which nine-tenths of foreign aid is currently furnished. Almost \$5.8 billion of additional funds were made available for the program by the appropriation act which followed. Of these new funds, nearly three-fourths is to be used for military aid, including assistance to the North Atlantic Treaty Organization (NATO). The balance is available for economic aid, technical assistance, refugee relief, and contributions to various other international organizations.

By June 30, 1952, all but \$500 million of the \$11.8 billion of funds previously made available for military aid under the mutual-security program and its predecessor, the mutual-defense assistance program, had been obligated. At that date obligations for military aid to Europe reached over \$9½ billion, those for the Near East and African area nearly \$1 billion, and for Asia and the Pacific over \$1 billion.

Increases in military aid during the last three fiscal years have compensated for the planned decline of economic aid. Thus, aid totals have shown but little variation on an annual basis, amounting to \$5.1 billion in 1950, \$4.8 billion in 1951, and \$5.0 billion in 1952. Within these totals, however, the relationship of military to economic aid has changed sharply.

Military aid, which comprised only 4 percent of total assistance in fiscal year 1950—the last year before the outbreak of Korean hostilities—has risen rapidly, accounting for 24 percent in 1951 and 38 percent in 1952. By the final quarter of fiscal year 1952, the military-aid component had increased to 44 percent and gross foreign aid was higher than in any preceding quarter of the 3 years, reaching an annual rate of over \$6 billion.

Returns are sizable

As shown in table 1, aid netted by "returns" in the form of repayments on credits, counterpart funds, and returned lend-lease vessels has closely followed the pattern of gross aid since the Korean invasion. With such returns reaching nearly a billion dollars in the 2 years, net aid furnished in the period amounted to \$8.9 billion, comprised of \$8.5 billion of net grants and \$0.5 billion of net credits.

Collections on credits accounted for two-thirds of the returns in the 2-year period. These included in fiscal year 1952 the first principal payments on the \$3½ billion British loan and on the British and French war-account settlements.

Counterpart funds in 1952 showed the same tendency to decline as the economic-aid programs, since they were generated primarily by such programs. These funds represent foreign currencies made available without cost to the United States by the recipients of grants. They are used to meet certain foreign operating expenses of the Government and, in the case of economic-aid counterpart, to purchase strategic materials for stockpile or to extend loans for the development of foreign sources of such materials.

The counterpart currencies acquired by the United States represent a relatively small proportion of the total funds

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derived by foreign governments from the sale of goods furnished to them as economic-aid grants. Those funds which are not placed at the disposal of the United States have been set aside in special accounts and employed by the foreign countries, with the concurrence of this country, for projects designed to promote economic development and internal financial stability, and more recently, for military production or construction. In Europe the equivalent of \$8.7 billion was withdrawn for such purposes from April 1948, the beginning of the European-recovery program, through June 1952.

Military assistance increases

Exclusive of economic aid for defense support, about \$3 billion of military assistance was furnished abroad by the United States Government in the 2 years beginning July 1950, nearly two-thirds of this amount moving in the second year. Military aid reached an annual rate of \$2.7 billion in the June quarter of 1952.

For the postwar period as a whole, cumulative military grants to the European NATO countries—including those furnished under the Greek-Turkish assistance program established in 1947—had reached \$3 billion by the end of June 1952. Similar aid to Asia and the Pacific area aggregated \$1.3 billion, including an estimated \$700 million of military lend-lease to China in the early postwar years.

Congress appropriated \$140 million in July 1952 for the program to develop NATO installations abroad financed on a multilateral basis. These funds are to be used by the Defense Department for the United States share of the fourth annual program. Some contributions for the previous annual shares have already been made from mutual-security program funds but are not included as foreign aid in the data shown in tables 1 and 2. The total present commitment for such use is \$288 million.

Steps taken during the fiscal year 1952 to strengthen the security of the free world included the signing of security treaties between the United States and Australia, New Zealand, the Philippines, and Japan. Under the latter treaty Japanese military protection is provided by United States forces until the people of Japan can fulfill their own defense requirements. Buying by the United States for Korean support and the presence of our Armed Forces have helped Japan to meet her dollar requirements and reduced the need for aid.

Under the Administrative Agreement implementing the Security Treaty, Japan is contributing to the cost of maintaining its security by making available the equivalent in yen of \$155 million per annum—subject to periodic adjustment—beginning April 29, 1952. These funds are used by the United States Armed Forces to purchase services and supplies similar to those which Japan provided under occupation-charge procedures before it was accorded the status of an independent nation. An estimated \$300 million yearly of utility, transportation, and other services, including local labor costs, was provided to the United States without cost prior to July 1951. In the next 10 months occupation

charges were reduced to only half of their former amount so that the resulting increase in the flow of dollars to Japan might compensate for the grant program then in the process of termination.

Aid provides stimulus to production

The mutual-security program furnishes assistance to European countries not only through military training and the shipment of United States munitions abroad, but also through various measures designed to strengthen their military production so that it may provide more local logistic support. Such measures include the defense-support and offshore-procurement programs.

Under the defense-support program the Mutual Security Agency (MSA) furnishes economic aid in the form of raw materials and production equipment for the manufacture of military equipment, as well as coal, cotton, and other commodities to enable the European NATO countries to devote a larger portion of their production to defense.

Under the offshore-procurement program the Defense Department contracts for the production in certain European nations of military equipment to be transferred to mutual-security program recipients or to be used by the United States Armed Forces. It is anticipated that contracts valued at as much as \$1 billion may be placed in fiscal year

1953. The program's main purpose is to permit the expansion of European production beyond the level which can be financed by European defense budgets alone, although it has the added advantage of increasing dollar earnings.

Half of the offshore-procurement contracts—which reached a total of \$684 million by the end of June 1952—were placed in France, with Italy and the United Kingdom receiving the next largest amounts. About \$600 million of these contracts is being financed from funds appropriated for the 1952 mutual-security program and the balance from regular Defense Department appropriations. The latter will provide military hardgoods and ammunition for our Armed Forces.

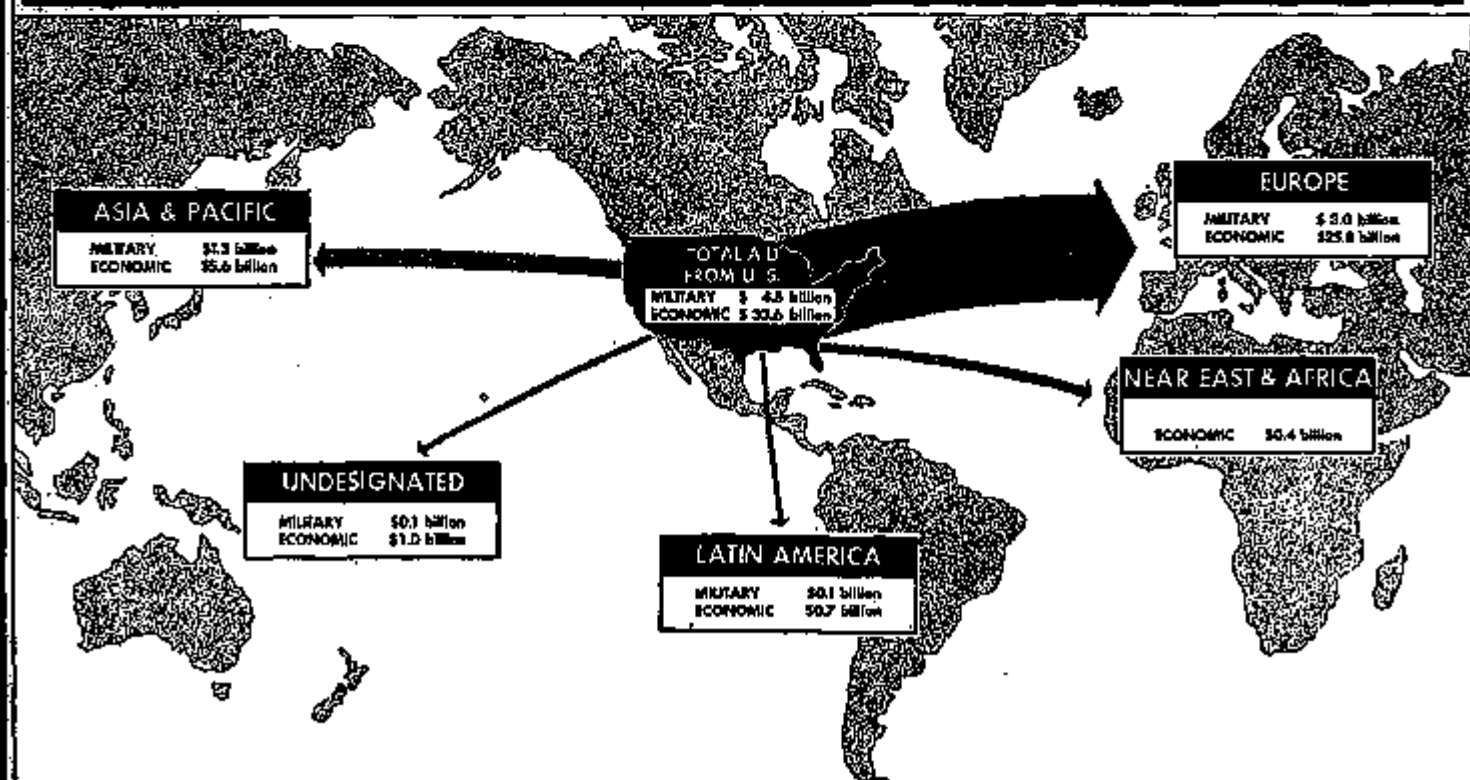
The Export-Import Bank (EIB) authorized a \$200-million credit to France in June. Disbursements under the loan reached \$154 million by the end of August. Such utilizations are limited to the dollar amount of certain of the contracts placed by the Defense Department in France; payments on the loan will be made by the Defense Department as it accepts deliveries of materials.

Military sales implement foreign rearmament

The Mutual Defense Assistance Act of 1949 authorizes the Government to sell materials from its military stocks to certain foreign countries and to procure goods on the domestic market for them on a reimbursable basis. Requests

POSTWAR FOREIGN AID

July 1945 through June 1952



for such purchases are merged with the over-all domestic procurement program of the Defense Department, thus avoiding conflicting demands on the productive capacity of the United States.

Over 900 requests from 41 foreign governments had been received for goods and services under this "reimbursable aid" program by the end of June 1952. Deposits for the shipment of goods or provision of services, including repair and rehabilitation, aggregated \$289 million. These receipts were

mainly from Western Hemisphere countries, with about a fifth of the total from Asia and the Pacific. By this time the goods and services provided to these areas amounted to \$113 million.

Nearly two-thirds of the total deposited was received by the United States Government in fiscal year 1952, and nearly nine-tenths of the goods and services made available under the program were transferred in that year. The items transferred included naval vessels as well as military equipment

Table I.—Summary of Foreign Aid (Grants and Credits), by Program: July 1, 1945, through June 30, 1952

(Millions of dollars)

Program	Total postwar period	Before Korean invasion	After Korean invasion										
			Total	Fiscal year 1951					Fiscal year 1952				
				Total	July-Sept. 1950	Oct.-Dec. 1950	Jan.-Mar. 1951	Apr.-June 1951	Total	July-Sept. 1951	Oct.-Dec. 1951	Jan.-Mar. 1952	Apr.-June 1952
Gross foreign aid ¹	38,494	28,351	9,843	4,837	286	1,242	1,232	1,382	5,008	1,244	1,301	1,037	1,521
Grants utilized	27,631	19,006	8,706	4,418	890	1,182	1,110	1,286	4,347	1,143	1,096	834	1,275
Less: Credit-agreement offsets to grants	1,236	1,236			91	111	122	90	650	104	100	233	295
Credits utilized	11,519	10,441	1,079	419	91	111	122	90	650	104	106	203	246
Less: Returns	1,072	2,178	883	391	104	166	98	82	543	137	148	99	137
Reverse grants and returns on grants	1,182	874	307	139	37	28	39	38	160	33	34	27	76
Principal collected on credits	1,890	1,364	580	262	67	79	69	46	384	94	114	63	62
Equals: Net foreign aid	35,022	25,072	8,358	4,446	870	1,134	1,134	1,303	4,364	1,111	1,463	948	1,384
Net grants	26,395	17,770	8,467	4,279	858	1,103	1,072	1,261	4,178	1,110	1,001	808	1,199
Net credits	9,627	7,302	493	167	22	21	52	42	186	8	162	140	184
Grants utilized	37,331	19,066	8,786	4,418	890	1,132	1,110	1,286	4,347	1,144	1,096	844	1,275
Land-lease	1,833	1,932											
Mutual security:													
Economic and technical assistance	11,638	9,080	4,072	2,460	300	400	639	678	2,236	397	683	354	369
Military aid	3,123	63	3,060	1,149	120	220	722	422	1,011	451	288	436	608
Civilian supplies	6,506	1,906	469	491	117	120	90	148	233	61	40	43	36
UNRRA, post-UNRRA, and Interim aid	3,443	2,443											
Philippine rehabilitation	638	519	114	108	34	60	4	4	0	2	1	1	1
Greek-Turkish aid	649	620	23	20	8	7	3	3	3	3	1	(?)	(?)
Chinese stabilization and military aid	245	239	6	5	1	2	(?)	2	(?)	(?)	8	1	1
Other	634	444	100	172	34	40	60	20	18	9	8	1	1
Reverse grants and returns on grants	1,182	874	307	139	37	28	39	38	160	33	34	27	76
Reverse land-lease	138	133											
Return of land-lease ships	870	287	583	10			10		73		18	3	58
War-account cash settlements	120	120											
Counterpart funds:													
Economic and technical assistance	645	323	322	128	36	27	27	33	90	38	20	23	18
Military aid	18	1	12	6	1	1	1	2	6	3	1	2	(?)
Credits utilized	11,519	10,441	1,079	419	91	111	122	90	650	104	106	203	246
Special British loan	3,750	3,750											
Export-Import Bank	3,121	2,061	470	227	37	44	79	60	293	36	28	78	108
Direct loans	2,504	2,408	496	246	40	44	69	81	246	30	28	80	104
Loans through agent banks	131	133	1	1	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)
Surplus property (including merchant ships)	1,330	1,334	4	1	(?)	(?)	(?)	(?)	1		1		
Credit-agreement offsets to grants	1,236	1,236											
Land-lease (excluding settlement credits)	71	80	9	(?)	(?)				2				
Mutual security (including loans to Spain and India)	1,633	960	542	141	40	56	30	25	491	70	76	121	136
Other	452	380	62	50	4	36	4	4	12	4	2	2	4
Principal collected on credits	1,890	1,364	586	262	67	79	69	46	384	94	114	63	62
Special British loan	44	44							44		44		
Export-Import Bank	939	832	207	138	30	45	81	19	139	23	51	48	30
Direct loans	789	462	286	123	27	47	30	18	166	22	60	45	38
Loans through agent banks	170	149	21	17	13	2	1	2	4	1	2	1	2
Surplus property (including merchant ships)	929	122	100	46	11	9	17	9	60	21	12	13	16
Credit-agreement offsets to grants	44	52	22	2	1	(?)	1	1	20	13	7	(?)	(?)
Land-lease (excluding settlement credits)	35	21	14	7	3	(?)	1	(?)	7	5	(?)	1	(?)
Other	506	507	62	58	17	21	10	16	34	28		3	8

¹ Foreign aid is defined to comprise two categories—grants and credits. Grants are largely outright gifts for which no payment is expected, or which at most involve an obligation on the part of the recipient to extend aid to the United States or other countries to achieve a common objective. Credits are loans or other agreements which give rise to specific obligations to repay, over a period of years, usually with interest. In some instances assistance has been given with the understanding that a decision as to repayment will be made at a later date; such assistance is included in grants. At such time as an agreement is reached for repayment over a period of years, a credit is established. Because such credits cannot, as a rule, be deducted from specific grants recorded in previous periods, they are included in both grants (at the earlier period) and credits (at the time of the agreement), and the amounts of such credit-agreement offsets to grants are deducted from the total grants and credits arriving at gross foreign aid. All known returns to the United States Government stemming from grants and credits are taken into account in net foreign aid. Gross foreign aid less the returns is net foreign aid, which is shown as net grants and net credits. Foreign aid is measured, for the different mechanisms of assistance in use, as follows: (1) at the time of shipment of goods or extension of services, for procurement by a United States Government agency; (2) at the time of payment when cash aid is disbursed to a foreign government or other foreign entity, including disbursements for procurement by that government, or entity, or its agencies; (3) at the time

of disbursement to a United States supplier or to a United States bank (for payment to suppliers) on behalf of a foreigner for procurement under a letter of credit authorized by a Government agency; or (4) at the time of formal agreement, for obligations assumed by a foreign government, including bulk sales of surplus property under credit agreements. The Government's capital investments in the International Bank (\$335 million) and International Monetary Fund (\$2,750 million) are not included in gross foreign aid although they constitute an additional measure taken by this Government to promote foreign economic recovery. Payments to these international financial institutions do not result in immediate equivalent aid to foreign countries. Use of available dollar funds is largely determined by the management of the two institutions, subject to certain restraints which can be exercised by the United States Government.

² Negative entry of less than \$500,000 results from refunds of cash aid.

³ Less than \$500,000.

⁴ Negative entry results from excess of EIB repurchases from agent banks over agent-bank disbursements.

Sources: U. S. Department of Commerce, Office of Business Economics.

and services. Such vessels were sold at a reduced rate and in addition the recipient countries paid the costs of reactivating them for service.¹

Mutual-security economic aid continues large

Economic aid including technical assistance and relief, although nearly \$600 million less in fiscal year 1952 than in the prior year, still comprised over three-fifths of the total aid flowing abroad. The decline took place entirely in grants since credits represented over one-fifth of the economic-aid total in 1952 as compared to about one-tenth in 1951. Together the \$3.1 billion of grants and loans brought post-war economic aid to \$33.6 billion. As shown in the chart, about three-fourths of the aid in the nonmilitary category flowed to Europe and about one-sixth to Asia and the Pacific area.

Assistance furnished under the mutual-security program and its predecessor programs—including the European-recovery program—made up the greater part of economic aid in fiscal year 1952, totaling over \$2.6 billion or about the equivalent of the prior-year amount.

Credit aid under the program rose to a somewhat larger proportion of the whole in 1952. The increase in loans was in line with the Congressional requirements expressed in the Mutual Security Act of 1951 which stipulated that no less than one-tenth of the economic aid provided with funds made available under the act should be on a loan basis.

France was the largest recipient of the economic aid flowing abroad under the mutual-security program in fiscal year 1952. Together with its dependencies and Indochina, France received \$500 million of such aid, or about one-fifth of the total. All but \$43 million of this amount was in the form of grants.

The United Kingdom and its dependencies ranked second with \$304 million of aid, including \$60 million of credits. Over \$200 million of the grants to the United Kingdom were furnished in the last quarter of the fiscal year when they were instrumental in checking the sharp fall in British gold and dollar reserves which began in the first quarter.

United Kingdom reserves declined from \$3.9 billion on June 30, 1951 to \$1.7 billion on the same date a year later. A substantial portion of this decrease resulted from payments totaling almost \$0.5 billion made by the United Kingdom—on behalf of the entire sterling area—to the European Payments Union. A fall in the demand for and price of sterling-area commodities, plus large purchases in the United States, Canada, and other dollar areas, contributed to the huge drain. Almost all of the decrease took place in the first 9 months of the year. A halt in the rapid deterioration of reserves was brought about mainly through measures taken by the United Kingdom and the sterling area and by means of the previously mentioned United States grants. Thus it was possible to limit the decline to only \$15 million in the final 3 months.

Other countries receiving a major share of mutual-security aid in fiscal year 1952 were Italy and Greece with over \$200 million each; Austria, Germany, and the Netherlands with from \$100 million to \$200 million each; and Yugoslavia and Turkey with over \$50 million each. The assistance furnished to these countries was in the form of both grants and credits—the former predominating—with the exception of aid to Austria and Yugoslavia which was solely on a grant basis. Israel and Taiwan were the only large recipients outside Europe, having received \$64 million and \$90 million of grants respectively.

The mutual-security program loan data for fiscal year 1952

as shown in table 1 include \$172 million representing utilization of the special \$190 million loan to India authorized by Congress in June 1951 for the purpose of furnishing emergency food relief to that country. The loan agreement with India provides for repayment in dollars, but contains a provision that future negotiations may modify the agreement to provide for payment in strategic materials. The same category of credit aid also includes utilizations of \$24 million against the \$62½ million loan to Spain authorized by Congress in September 1950.

Other assistance under the mutual-security program in fiscal year 1952 included contributions of \$187 million to support the European Payments Union which facilitates trade in Western Europe. Contributions were also made to the Organization of American States and to the United Nations programs for technical assistance and for the relief of refugees from Palestine.

EIB lending authority increased

Although representing only a relatively small proportion of the total flow of foreign aid, loans extended by the Export-Import Bank (EIB) were the second largest category of economic assistance in fiscal year 1952. During the year the lending authority of EIB was increased from \$3½ billion to \$4½ billion in order to enable the Bank to enlarge its program of financing the export of American goods and of assisting in the expansion of foreign productive facilities.

The largest EIB disbursements consisted of \$49 million to Germany, \$43 million to Israel, and \$33 million to Japan, although disbursements were made to 22 other countries, including 13 of the American Republics. Utilizations on loans to the latter totaled \$62 million. New credit commitments of over \$500 million were authorized during the year for many purposes, including industrial development projects and the development of foreign sources and production abroad of strategic materials. On June 30, 1952 the unutilized portion of established EIB credits stood at over \$0.9 billion and the uncommitted lending authority at \$1.2 billion.

Defense Department relief grants continue

Civilian supplies furnished abroad by the Armed Forces of the United States ranked third in size among economic-aid programs in fiscal year 1952. Although this type of aid had declined by more than half from its prior year total, the importance of these grants is greater than the amount would seem to indicate since they include the relief supplies furnished to the civilian population of Korea during the Korean conflict.

The decrease in civilian-supply aid in fiscal year 1952 resulted from the termination of grants of raw materials and basic supplies to Japan under the program financed from funds appropriated for government and relief in the occupied areas. When the program for Japan was discontinued at the end of fiscal year 1951, goods in pipeline at that time yielded less than \$61 million of aid for 1952 as compared to \$303 million in the prior year. The Ryukyu Islands, which are still under United States administration, continue to receive civilian-supply grants, including construction for civilian use. A little over \$30 million of such aid was furnished to the Islands in each of the last 2 years.

Nearly \$185 million of relief aid was provided by the Defense Department to the Republic of Korea in the 2 years following the Communist invasion. In the second year of the conflict such aid rose by \$43 million to total \$114 million for the year. Other assistance to Korea during the conflict included \$60 million of economic and technical assistance made available by the Mutual Security Agency, and the first payment of \$10 million to the United Nations Korean

¹ The difference between the original acquisition cost of the vessels transferred and the amounts paid by the foreign countries represents grant aid and is included in tables 1 and 2. The data provided above for deposits and for goods and services furnished under the reimbursable-aid program exclude such grants and do not appear in tables 1 and 2.

Reconstruction Agency. The latter is to take over certain Korean-aid operations from the United States Government when hostilities cease.

The aid furnished abroad through programs other than those discussed above represented only a very minor part of the whole in fiscal year 1952. Such programs were generally in the process of termination during the year and consisted for the most part of (1) grants under the Philippine rehabilitation program which had been nearly completed by the end of fiscal year 1951, (2) grants to Yugoslavia under

the State Department emergency-relief aid program for that country which were terminated in the first quarter of fiscal year 1952 when it began to receive mutual-security economic aid, (3) grants to Mexico which had assisted that country to eradicate the foot-and-mouth disease afflicting Mexican cattle, (4) grants under the Chinese military-aid program established in April 1948, and (5) military-aid grants under the Greek-Turkish aid program which have been replaced by similar grants under the mutual-security program.

Table 2.—Summary of Foreign Aid (Grants and Credits), by Major Country: July 1, 1945, Through June 30, 1952

(Millions of dollars)

Major country ¹	Total postwar period	Before Korean invasion	After Korean invasion										
			Total	Fiscal year 1951					Fiscal year 1952				
				Total	July-Sept. 1950	Oct.-Dec. 1950	Jan.-Mar. 1951	Apr.-June 1951	Total	July-Sept. 1951	Oct.-Dec. 1951	Jan.-Mar. 1952	Apr.-June 1952
Gross foreign aid (grants and credits) ²	38,094	38,251	8,843	4,827	980	1,243	1,223	1,382	5,004	1,236	1,201	1,837	1,531
Less: Returns	3,972	2,178	893	291	104	193	89	81	503	127	148	96	127
Equals: Net foreign aid	35,022	26,072	8,050	4,536	876	1,134	1,134	1,301	4,501	1,119	1,053	1,741	1,404
Western Europe and dependent areas:													
Gross foreign aid	27,702	26,422	7,280	3,653	773	899	911	1,090	3,446	942	896	743	1,166
Less: Returns	1,907	1,104	713	311	74	95	82	50	403	105	110	71	108
Equals: Net foreign aid	25,795	25,318	6,567	3,342	699	804	829	1,040	3,043	837	786	672	1,058
Austria:													
Gross foreign aid	865	722	203	114	17	19	20	63	149	87	45	30	81
Less: Returns	82	28	27	14	4	3	3	5	13	3	2	4	3
Equals: Net foreign aid	803	697	176	100	13	17	17	48	136	84	43	26	78
Belgium-Luxembourg:													
Gross foreign aid	794	694	101	126	43	36	27	10	34	15	3	5	11
Less: Returns	90	35	20	10	3	3	4	2	13	0	3	0	3
Equals: Net foreign aid	704	659	81	116	40	33	23	8	21	15	0	5	8
British Commonwealth: United Kingdom:													
Gross foreign aid	7,176	6,445	732	416	135	134	94	54	315	38	55	24	204
Less: Returns	813	532	162	73	10	23	14	16	38	24	53	3	0
Equals: Net foreign aid	6,363	5,913	570	343	125	110	80	37	277	14	2	21	204
Denmark:													
Gross foreign aid	285	193	63	60	13	13	17	10	33	12	17	4	0
Less: Returns	15	8	7	3	1	1	1	1	4	1	3	1	1
Equals: Net foreign aid	270	185	56	57	12	12	16	9	29	11	14	3	-1
Finland:													
Gross foreign aid	128	128	0	0	0	0	0	0	0	0	0	0	0
Less: Returns	35	27	0	0	0	0	0	0	0	0	0	0	0
Equals: Net foreign aid	93	101	0	0	0	0	0	0	0	0	0	0	0
France:													
Gross foreign aid	4,823	3,877	946	471	94	120	111	130	477	117	190	125	120
Less: Returns	315	160	179	58	10	0	23	7	122	30	8	33	47
Equals: Net foreign aid	4,508	3,717	767	413	84	120	88	123	355	87	182	92	73
Germany:													
Gross foreign aid	3,740	3,001	639	478	100	113	127	139	301	97	23	63	28
Less: Returns	110	92	55	10	2	4	8	6	11	7	4	1	0
Equals: Net foreign aid	3,630	2,909	584	468	98	109	119	133	290	90	19	62	28
Greece:													
Gross foreign aid	1,820	1,173	302	130	30	34	37	40	203	68	36	42	35
Less: Returns	76	33	40	17	4	4	4	4	30	5	3	6	10
Equals: Net foreign aid	1,744	1,140	262	113	26	30	33	36	173	63	33	36	25
Iceland:													
Gross foreign aid	20	20	15	0	1	1	1	4	9	4	1	1	3
Less: Returns	1	0	0	0	0	0	0	0	0	0	0	0	0
Equals: Net foreign aid	19	20	15	0	1	1	1	4	9	4	1	1	3
Ireland:													
Gross foreign aid	147	99	45	40	13	10	10	8	8	4	3	0	0
Less: Returns	1	0	0	0	0	0	0	0	0	0	0	0	0
Equals: Net foreign aid	146	99	45	40	13	10	10	8	8	4	3	0	0
Italy:													
Gross foreign aid	2,533	2,024	514	297	75	88	83	101	318	82	33	41	61
Less: Returns	148	75	73	37	11	0	16	7	35	15	0	10	3
Equals: Net foreign aid	2,385	1,949	441	260	64	88	67	94	283	67	33	31	58
Netherlands:													
Gross foreign aid	1,255	906	269	182	57	41	50	43	108	29	28	21	20
Less: Returns	161	66	111	52	8	35	3	0	50	5	35	3	17
Equals: Net foreign aid	1,094	840	158	130	49	6	47	43	58	24	-7	18	3
Norway:													
Gross foreign aid	313	215	98	60	18	15	16	11	38	11	11	11	5
Less: Returns	43	23	20	14	2	6	4	3	0	1	1	1	2
Equals: Net foreign aid	270	192	78	46	16	9	12	8	38	10	10	10	3
Portugal:													
Gross foreign aid	44	5	38	22	10	0	0	5	10	2	4	2	2
Less: Returns	2	0	1	1	0	0	0	0	1	0	0	0	0
Equals: Net foreign aid	42	5	37	21	10	0	0	5	9	2	4	2	2
Spain:													
Gross and net foreign aid	24	0	24	0	0	0	0	0	24	15	2	2	3
Sweden:													
Gross foreign aid	112	60	43	26	11	0	10	9	5	7	1	0	0
Less: Returns	3	1	2	2	0	1	0	0	0	0	0	0	0
Equals: Net foreign aid	109	59	41	24	11	0	10	9	5	7	1	0	0

See footnotes at end of table.

Table 2.—Summary of Foreign Aid (Grants and Credits), by Major Country: July 1, 1945, Through June 30, 1952—Continued

Major country ¹	Total postwar period	Before Korean invasion	After Korean invasion									
			Total	Fiscal year 1951				Fiscal year 1952				
				Total	July-Sept. 1950	Oct.-Dec. 1950	Jan.-Mar. 1951	Apr.-June 1951	Total	July-Sept. 1951	Oct.-Dec. 1951	Jan.-Mar. 1952
Western Europe and dependent areas—Continued												
Turkey:												
Gross foreign aid	40	25	11	0	1	3	2	3	2	2	(?)	(?)
Less: Returns	2	1	1	1	(?)	(?)	(?)	(?)	(?)	2	(?)	(?)
Equals: Net foreign aid	44	24	10	8	1	2	2	3	2	2	(?)	(?)
Turkey:												
Gross foreign aid	370	240	130	48	10	10	11	11	56	20	22	12
Less: Returns	33	17	16	7	2	1	2	1	9	1	3	3
Equals: Net foreign aid	343	223	121	41	14	9	9	10	79	19	19	10
Yugoslavia:												
Gross foreign aid	491	211	191	84	8	10	32	28	97	21	27	25
Less: Returns	0	0	0	1	(?)	(?)	(?)	1	0	1	1	3
Equals: Net foreign aid	491	211	191	83	8	10	32	27	97	21	26	22
Other and undesignated Western Europe: ²												
Gross and net foreign aid	2,021	275	2,040	1,017	110	282	249	308	1,629	300	371	339
Other Europe:												
Gross foreign aid	1,153	1,100	1,100	2	(?)	(?)	(?)	1	18	18	18	1
Less: Returns	69	53	53	17	(?)	(?)	(?)	1	18	18	18	1
Equals: Net foreign aid	1,084	1,047	1,047	-15	(?)	(?)	(?)	0	0	0	0	0
Near East and Africa:												
Gross foreign aid	370	130	248	75	21	17	17	20	174	17	43	33
Less: Returns	143	135	8	8	1	1	(?)	1	4	(?)	1	2
Equals: Net foreign aid	226	-5	241	71	20	16	17	19	170	16	41	31
Iran:												
Gross foreign aid	37	24	18	2	(?)	(?)	(?)	2	12	1	2	1
Less: Returns	10	10	(?)	2	(?)	(?)	(?)	2	(?)	(?)	(?)	(?)
Equals: Net foreign aid	27	14	18	0	(?)	(?)	(?)	0	12	1	2	1
Israel:												
Gross foreign aid	174	32	142	38	0	0	0	12	106	10	27	22
Less: Returns	2	2	2	2	0	0	0	0	2	2	2	2
Equals: Net foreign aid	172	30	140	36	0	0	0	12	104	8	25	20
Other and undesignated Near East and Africa: ²												
Gross foreign aid	187	74	93	37	15	7	9	0	50	0	14	14
Less: Returns	153	124	0	3	1	1	(?)	1	2	(?)	1	(?)
Equals: Net foreign aid	34	-50	93	34	14	6	8	0	48	0	13	13
Asia and Pacific:												
Gross foreign aid	6,502	5,139	1,753	828	136	300	133	242	924	228	282	180
Less: Returns	630	684	47	19	4	2	4	8	28	6	4	0
Equals: Net foreign aid	6,302	4,056	1,700	809	132	298	129	234	897	222	278	180
China—Taiwan (Formosa):												
Gross foreign aid	1,583	1,755	138	38	4	7	14	12	80	15	32	24
Less: Returns	123	113	11	8	2	1	3	2	3	(?)	1	(?)
Equals: Net foreign aid	1,759	1,042	117	30	1	7	12	10	86	14	31	24
India:												
Gross foreign aid	223	45	178	4	(?)	1	2	1	174	43	04	40
Less: Returns	22	31	2	2	0	0	0	0	2	2	2	2
Equals: Net foreign aid	190	14	176	2	(?)	1	2	1	172	41	02	38
Indochina:												
Gross foreign aid	26	(?)	26	(?)	(?)	(?)	1	2	23	4	7	4
Less: Returns	2	(?)	2	(?)	(?)	(?)	(?)	(?)	2	1	(?)	(?)
Equals: Net foreign aid	24	(?)	24	(?)	(?)	(?)	1	2	21	3	6	4
Indonesia:												
Gross foreign aid	104	188	20	1	1	(?)	(?)	(?)	25	(?)	3	8
Less: Returns	8	4	4	1	1	1	(?)	(?)	3	2	1	(?)
Equals: Net foreign aid	107	184	16	0	0	0	(?)	(?)	22	1	2	7
Japan and Ryukyu Islands:												
Gross foreign aid	2,069	2,105	463	338	83	08	79	128	125	60	17	5
Less: Returns	253	273	7	3	1	(?)	2	(?)	4	(?)	(?)	(?)
Equals: Net foreign aid	2,270	1,830	460	335	82	08	77	128	121	56	17	4
Korea:												
Gross foreign aid	647	284	200	101	10	61	10	23	157	36	44	48
Less: Returns	13	13	(?)	(?)	10	54	10	26	157	36	44	48
Equals: Net foreign aid	634	271	200	100	0	61	10	23	157	36	44	48
Philippines:												
Gross foreign aid	700	624	102	144	34	101	4	4	19	3	0	3
Less: Returns	20	14	15	4	(?)	(?)	(?)	4	11	(?)	(?)	4
Equals: Net foreign aid	700	624	102	144	34	101	4	4	19	3	0	3
Other and undesignated Asia and Pacific: ²												
Gross foreign aid	533	44	509	105	24	34	67	09	314	08	110	84
Less: Returns	29	24	5	2	(?)	(?)	(?)	1	3	1	1	1
Equals: Net foreign aid	524	21	504	103	23	34	67	08	311	07	109	83
American Republics: ³												
Gross foreign aid	557	515	342	132	26	18	20	50	191	45	50	53
Less: Returns	278	172	107	56	26	0	11	11	51	15	11	10
Equals: Net foreign aid	579	343	235	76	(?)	18	9	39	140	30	39	43
Canada:												
Gross foreign aid	147	142	0	1	1	(?)	(?)	(?)	5	(?)	1	(?)
Less: Returns	142	141	1	1	(?)	(?)	(?)	(?)	4	(?)	1	(?)
Equals: Net foreign aid	5	1	0	0	0	0	0	0	1	0	0	0
Undesignated: ⁴												
Gross foreign aid	625	744	214	168	25	43	01	20	06	14	10	10
Less: Returns	1	1	1	1	0	0	0	0	1	1	1	1
Equals: Net foreign aid	624	743	213	167	25	43	01	20	05	13	9	9

¹ For security reasons data by country do not include most of the military aid furnished under the Mutual Security Program. However, such aid is included in the appropriate area totals as a component part of "Other and undesignated" items.

² See footnote 1 to table 1.

³ Less than \$500,000.

⁴ Negative entry of less than \$500,000.

⁵ Negative entry results from refunds of cash aid.

⁶ Includes aid furnished through international organizations.

⁷ Military aid under the Mutual Security Act, title 11 (Near East and Africa), is primarily for Greece and Turkey and is included with "Other and undesignated Western Europe."

Source: U. S. Department of Commerce, Office of Business Economics.